

Board of Directors Meeting Minutes

December 07, 2023, 12:30 pm

Meeting Date: December 07, 2023

Chairman: Lance Kinney

Location: Kids Central Board Room

Present: John Cooper, John Aitken, Paula Mealy (minutes), , Diana Brown, Lance Kinney, Mark Imes, Kevin McDonald, Brad Rodgers, Elizabeth Thompson, Carly Sales, Matt Bartoli, Rebecca Schatt, Gordon Johnson, Stephen Spivey, Mark Wickham (by phone), James Nations

Not Present: Anthony Piarulli, Shalonda McHenry Sims (COO)

Guests: Veraunda Jackson – (KCI Chief Legal Officer), Phoebe Wehlen (DCF – via phone), Jessica Gilbert (Director, Community Development)

Quorum: yes

Call to order December 07, 2023, at 12:32 pm

I. Chairman's Remarks

- a) Welcome new member James (Jim) Nations.
- b) Approval of September Minutes – Kevin moved to approve. Gordon seconded the motion. All were in favor and unanimously approved.
- c) Mike Jordan's farewell – had a lovely farewell at The Depot, where we thanked him for his 18 years of service on the KCI Board. Mike was presented with a set of custom Golf Club covers and golf balls with the KCI logo imprinted on them.
- d) Matt Bartoli was recently recognized along with a KCI employee as Florida's Angels of Adoption. Employee Juanita White received the award for 40 years of service in Child welfare (mostly in Adoptions), and Matt received the award for his and his wife's years of fostering, during which they adopted multiple children. Matt continues to serve the community as a member of KCI's Board of Directors.

II. President's Report –

- a) October Performance - John commented on the few areas of greatest concern. M3 (Permanency in 12 months) – is at 24.8, and noted the state is at 29.8. Both are way off from the target of 41%. The state has never achieved the target number. KCI has reached the target in the past, but we took a deep dive during COVID and have yet to recover. M9 (children visits every 30 days) is at 97.19 and the state is at 99.1. The target for this measure is 99.5. M12 (Relative/Non-Relative Placement) is at 59.5%, way off target of 65%. The state is only at 54.7. There has been an unusual number of relatives not qualifying for placement. M13 (siblings placed together) is at 60.5% and the state is at 57.9%. Both M12 and M13 goals are hopefully being revisited as no one has ever met this target. All of these measures are negatively affected by our staffing shortages, CLS staffing shortages, and the backlog of cases in the court system.
- b) Permanency For Children – John shared an analysis that depicts the reasons we are missing the mark on this measure. One of the top reasons kids did not find permanency in 12 months is related to parent's substance abuse. Most substance abusers need more time than the case plan allows to kick the drug habit. Second reason is due to multiple case managers being assigned (due to shortages and resignations), and the third highest reason is multiple CLS vacancies. None of these reasons were a surprise, rather we used statistical analysis to support our reasoning.

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- c) Marion County staffing Progress - In Late Fall, the number of applications coming in stalled, and it has remained that way. We can operate at 75%, but we are still trying to get to 100%. Lutheran is close to 100% staffed, but most are still in training, and are therefore not deployed. Lance asked what the timeline was between training and being fully deployed John responded that it could be up to a year. The supervisor slots are all full.
- d) Legislative Update – Senate Bill 536 – Diana asked what the driving force behind this bill is. It appears that DCF wants more control of the CBCs. The Intent of the community-based model was to push out management control to the communities, but now DCF is trying to take more control back. One of the biggest issues is too much responsibility will go to the individual CBC Board of Directors. They would need to be deeply involved in the day-to-day operations, which is not possible with a volunteer board, where most members already have other full-time jobs. Our board members in the insurance industry added that they see this (assigning such a high degree of responsibility to the Board) as a problem regarding obtaining liability insurance if this bill were to pass as is.

Another issue with the bill is that it forces procurement at the end of each 5-year contract term. There would no longer be an option for DCF to auto-renew. Procurement is a very tedious and costly process (for DCF and for the CBC). DCF already has the option to not renew, or to cancel a contract at any time, so there does not seem to be a rationale to force procurement after 5 years. The instability created by forcing re-procurement will make it very difficult to recruit and retain executive leadership, as well as an experienced workforce. Therefore, there will be a negative impact on services to clients, and potentially place families and children at risk.

At this time, we are expecting significant changes to the bill before it is finalized. Currently there is no companion bill in The House.

- e) Marion County Home for the Holidays – 12/15 at 1pm – We are expecting 20 kids will finalize adoption at this time. Board members are encouraged to attend.
- f) CBCIH Update on Dissolution - Our Captive is being dissolved for multiple reasons. The captive was highlighted negatively in an audit. Embrace gave up their contract and therefore they would no longer be members. ANI increased our deductible, and we now have to pay First Dollar. Those things were the death of the Captive . Now KCI has to fund the first dollar costs. Assets are now being liquidated. An attorney has been hired to assist in the process. Assets will be divided among the members. The money we get back will make us whole from the initial investment made plus a little more. Also, CBC Integrated Health (contracted to do enrollment and care coordination)is also being dissolved - This Fall, Sunshine terminated the CBCIH contract with Sunshine.
- g) Statewide Lead Agency ITN – 11 Circuits are out to bid now, all at the same time. Embrace Families (Orange, Seminole, and Osceola Counties), gave up their contract. John announced that he would like Board approval for KCI to pursue the contract. Several other CBCs merged over last year. Larger CBCs appear to be the direction in which DCF is going. Proposals are due at the end of January. Because we have a recent ITN, we have a proposal to start with. Brevard will also submit a bid. Gordon requested discussion of the Pros and

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cons of KCI bidding. John responded that it would contribute to our Long-term sustainability as DCF seems to want the bigger CBCs. Another question asked was why weren't more companies bidding? John responded that since we don't make a profit, not many companies are interested. Another positive for us is that we would now have a university in our new area (Orange, Osceola, Seminole). Camelot, One Hope United, and Gulf Coast Jewish Family and Community Services do case management). Another question asked was how did they end up with a \$10M deficit? John reported that they had a very top-heavy management structure. Our proposal would have a leadership team there but would share our board, CEO and CFO. There were several questions from the board asking why do this? John feels we need to for future sustainability. Brevard and Camelot want us to bid on the contract. John's case is they spent \$23M more than us last year. They are management heavy. They assigned a case manager to a child and another to the child's family. Steve motioned that we proceed with the bid. Gordon seconded the motion Steve commented that he feels we could do a better job and that's why he wants to move forward. He was not agreeing with John that we need it for future sustainability. John would shift some of our admin costs there. John A reiterated the fact that our circuit would have better access to the University of Central Florida. Mark requested another Executive Committee meeting as it gets closer to the bid due date at end of Jan. All agreed, taking this next step (submitting an ITN) does not guarantee that in the next review Mid-January, we would not change our mind. With discussion complete, all were in favor to proceed with the ITN. There were none opposed.

- III. Operations - Shalonda was not present – There were no questions on the data presented, and so review of this section was skipped
 - a) Out of Home Care Update -
 - b) Diversion and Prevention Update -
 - c) Quality Management and Training Update –
 - d) Healthy Start Update -
- IV. Financial Report
 - a. September Financials – Our current budget depends on second half of year and planned reduction in number of kids in care . We are down almost 100 kids right now, and have 6-7 months to reduce further and get under control. Management and General Expenses are at 3.9% of total expenses.
 - b. Finance Report (October): We are trending in the right direction to avoid a contract deficit and the committee will continue to monitor Out of Home Care expenses closely. Finance motioned to accept the October Financial Report, Diana seconded the motion. All were in favor and unanimously approved.
 - c. Revised DCF Spending Plan – The revised plan shows that if we are otherwise unable to reduce expenses, 6 open positions would be cut, thus reducing the deficit without any reduction in force. Finance Motioned to accept the revised spending plan, Dianna seconded the motion. All were in favor and unanimously approved
 - d. Financial Risk Assessment Update – John A reviewed the 4 risk areas with a score above 50. Licensed Care Expense – The high number of children in licensed care,

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especially those needing very specialized level of care which is very expensive is driving this problem. The daily rate for the specialized care is also increasing. Salary expense – labor shortages continue to create wage pressure with some employers paying more for non-professionals than KCI is paying for positions that require a college degree. Liability Insurance – Cost is increasing and only a few carriers offer coverage. The fourth area is Lawsuits – claims against non-profits serving foster children are increasing in Florida.

- e. Case Management Balanced Score Card – the chart was briefly reviewed, and John commented that the measures aligned with KCI targets. Finance Committee Motioned to accept the New Case Management Balanced Score Card, Mark seconded the motion. All were in favor and unanimously approved
- f. Healthy Start Balanced Score Card – The chart was reviewed , Finance Motioned to accept the new Healthy Start Balanced Score Card, Mark seconded the motion. All were in favor and unanimously approved

V. Other Committee Reports

- a) Executive Committee – August report was reviewed briefly with no comments added.
- b) Strategic Innovations Committee Report – October Draft – Diana discussed briefly along with the 4 areas that will be their focus going forward, each with its own subcommittee. 1) Revise/Implement a Formal Recognition Program, 2) Develop a Foster Parent Advisory Committee to increase communications, 3) Host a series of county level prayer breakfasts with faith leaders, and 4) Recruit Adult and Peer Mentors for Youth.

KCI staff and Board members have been assigned to each committee

- c) Community Development – Diana presented Gordon (Chair of Community Development) with a \$1600 donation from her Gamma Delta Chapter of the Delta Kappa Gamma Sorority. Their goal this year was to raise \$1000 for KCI, and they were so pleased to surpass that number. This donation is earmarked for Christmas gifts for teenagers in foster care.

Gordon shared the incredible life story of Abby Seidel, who spoke at KCI's Care Awards. Her Journey from the horrors of trafficking trauma to where she is now as a college student studying Architecture, and working as KCI's Independent Living Navigator, helping other young adults into their life of independence.

Events Coming up:

Home for the Holidays: December 15th, 2023 at the Ocala Courthouse

Casino Royale: Boot Scootin' Boogie: February 23rd, 2024 at the Ocala Downtown Market

HALO Awards: 70's theme – June 1st, 2024 at the Brownwood Hotel and Spa

CARE Awards: October 11th, 2024 at Circle Square, Ocala

Fundraising: as of December 2023: \$19,458

VI. Unfinished Business / New Business – None

The meeting was adjourned at 2:16 p.m.

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Next Meeting – January 25th, 2024 – 12:30 p.m. until 2:00p.m.

Wildwood Board Room, 901 Industrial Drive, Suite 200, Wildwood, Florida 34785